



Effective and transparent hedge against currency risk (for all importers and exporters).

Ability to trade the synthetic cross currencies, example US Dollar/Kenyan Shilling by trading the Kenyan Shilling/Rand contract and the Us Dollar/Rand contract.

Cross currencies can be traded synthetically on the JSE and the JSE has committed to apply fees on only one of the foreign currency legs of the cross-currency trade.

This new range of currencies will help to strengthen ties by providing South Africans with a means to mitigate their currency risk when trading within the African continent.

Transparent and regulated trade.

No SARB approval required by participants to trade Currency Futures.

Can exit position with best priced counterparty at any time without penalties.

No firm and ascertainable commitment (paperwork) required to enter/exit a trade.

Have a daily view on profit/loss of the hedge.



Effective and transparent hedge against currency risk in Africa



DERIVATIVE MARKET

Currency Derivatives

African Currencies

www.jse.co.za



Johannesburg Stock Exchange



African Currency Futures Contract

Underlying Instrument	Rate of exchange between one unit of African foreign currency and SA Rand
Codes	e.g. Dec 14 ZAKS, ZANN, ZAZW
Contract Months	March, June, September and December
Expiry Dates & Times	At 10h00 New York time (i.e. 16h00 in SA winter and 17h00 in SA summer) two business days prior to the 3 rd Wednesday of the expiry month (or the previous business day if close-out day is a public holiday)
Expiration Valuation Method	The spot rate benchmark as sourced from the appropriate vendor
Settlement	Cash settled in ZAR
Initial Margin Requirements	As determined by JSE Portfolio Scanning Methodology
Mark-to-Market	<ol style="list-style-type: none"> 1. The spot rate benchmark is sourced from the appropriate vendor and at the relevant fixing time 2. At 17h00 the underlying forward points will be recorded and interpolated for each relevant expiry 3. The forward points will then be added to the spot rate benchmark 4. The resultant forward rate will be crossed for each expiry with the corresponding USD/ZAR expiry date
Exchange Fees	Sliding Scale – please click on the following link: http://www.jse.co.za/currencies-fees.aspx
Market times	As determined by the JSE (09h00 – 17h00)

For additional information contact:

JSE

Currency Derivatives

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The Option can be traded on the African Currency Future listed.

The above instrument has been designated as “Foreign” by the South African Reserve Bank.

If you have any questions, please also feel free to contact the Currency Derivatives team on currencies@jse.co.za

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